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TO: Ella M. Bully-Cummings, Chief of Police
Police Department

FROM: Irvin Corley, Jr., Fiscal Analysis Director

DATE: May 2, 2005

RE: 2005-2006 Budget Analysis

24.

Attached is our budget analysis regarding your department's budget for the upcoming 2005-2006 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing. We would then appreciate a written response to the issues/questions at your earliest convenience subsequent to your budget hearing. Please forward a copy of your responses to the Councilmembers and the City Clerk's Office.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

ICJ

Attachment

cc: Councilmembers
Council Divisions
Auditor General's Office
Sean Werdlow, Chief Financial Officer
Roger Short, Budget Department Director
Tina Tolliver, Budget Department Team Leader
Dante L. Goss, Executive Director-Board of Police Commissioners
Brenda Goss Andrews, Deputy Chief-Police Department
Christine Beatty, Chief of Staff-Mayor's Office
Anthony Adams, Deputy Mayor
Kandia Milton, Mayor's Office

Board of Police Commissioners/Police Department (37)

FY 2005-2006 Budget Analysis by the Fiscal Analysis Division

Summary

Board of Police Commissioners

The Board, in consultation with the Chief of Police and with the approval of the Mayor, establishes policies, rules, and regulations for the Police Department. It also reviews and approves the departmental budget pursuant to the City Charter; investigates citizens' complaints; acts as final authority in imposing or reviewing discipline of employees of the department; and makes an annual report to the Mayor, the City Council and the public of the department's activities and accomplishments.

The Mayor recommends a budget of \$2.48 million with a staff of 26 positions for the Board of Commissioners for Fiscal Year 2005-2006. Currently, 25 positions are filled. The Mayor recommended a staffing level of 35 positions in the current fiscal year. The Mayor looks to reduce the staffing level by 9 positions by laying off 2 Supervising Investigators and 5 Investigators by July 1, 2005, and eliminating 1 Senior Stenographer and 1 Office Assistant II.

This budget is \$806,500 lower than the current year's budget. The decrease is due primarily to the elimination of the 9 positions, resulting in lower salary, pension and employee benefit costs. An increase in the rentals-buildings account is offset with decreases in the operating supplies and travel accounts.

Police Department

The Police Department is a General Fund agency. The department's mission is to set new standards in policing through integrity, innovation and training.

The recommended 2005-2006 budget totals \$434.1 million, which is \$54.7 million (11.1%) **lower** than the current year's budget. The department's recommended net tax cost is \$331.94 million for 2005-06, or \$66.2 million **lower** than the current fiscal year's net tax cost.

In comparison, the current year's budget totals \$488.83 million, which is \$57.33 million (13.3%) greater than its previous year's budget. The department's net tax cost is \$398.2 million for the current fiscal year, or \$57 million greater than its previous year's net tax cost.

In the current fiscal year, the department received \$6.15 million in capital dollars. For next year, the Mayor proposes a capital budget of \$14.35 million for a prisoner detention center and a forensic laboratory. The prisoner detention center is required by the Department of Justice Consent Judgment Decree the department is currently under.

The Mayor recommends a net increase of 295 positions. Uniform General Fund positions decrease by 85, uniform grant positions decrease by 4, and civilian positions decrease by 206.

Like the current fiscal year, the Mayor's recommends transferring the Weights & Measures Division from the former Consumer Affairs Department into the Police Department, which brings additional 2 civilian positions.

2004-05 Surplus/(Deficit)

The Administration is projecting a net surplus of \$12.41 million for the current fiscal year. Primarily salary savings offset by revenue shortfall in sales and charges create the surplus.

Overtime

The department's current year budget contains an overtime budget of \$13.26 million, with \$11.20 million attributable to uniform employee accounts and \$2.06 million to the civilian employee accounts.

Through March 31, 2005, the department has spent \$14.76 million in total on overtime, with \$13.67 million attributable to uniform employee overtime and \$1.09 million attributable to civilian employee overtime. Overtime is due primarily to departmental vacancies and greater police presence in the neighborhoods.

For 2005-2006, the Mayor recommends a total budget of \$12.61 million in overtime, with \$11.23 million attributable to uniform employees and \$1.38 million attributable to civilian employees. Uniform employee overtime budget is up somewhat based on major special events scheduled to occur during 2005-06, such as the Major League Baseball Game and the Super Bowl. The budget for Civilian overtime decreases because of the lower budgeted civilian positions for 2005-06.

Personnel

Following is information by appropriation comparing current FY 2004-05 budgeted positions, March 31, 2005 filled positions and FY 2005-06 recommended positions.

<u>Appropriation/Program</u>	<u>Budgeted Positions FY 2004-05</u>	<u>Filled Positions 3/31/2005</u>	<u>Mayor's Budget Positions FY 2005-06</u>	<u>Over/(Under) Actual to 04/05 Budget</u>	<u>Mayor's Recommended Turnover</u>	
Police Department (37)						
XXXX POLICE OPERATIONS	0	3,570	0	3,570	\$	-
00111 Police Commissioner	35	25	26	(10)	\$	-
370020 Office of the Chief	16	0	16	(16)	\$	-
370025 Homeland Security Office	0	6	6	6	\$	-
370030 Executive Staff Officer	4	4	5	0	\$	-
370035 Crime Analysis Unit	0	9	7	9	\$	-
370040 Planning & Inspection	0	1	0	1	\$	-
370055 Community & Corporate Services	8	11	5	3	\$	-
370065 City Council Security	9	0	9	(9)	\$	-
370070 Office of Public Information	7	4	7	(3)	\$	-
370075 Internal Controls Division	0	9	8	9	\$	-
370076 Internal Affairs Section	0	33	32	33	\$	-
370077 Force Investigation Section	0	20	20	20	\$	-
00112 Police Executive	44	97	115	53	\$	-
370120 Ofc. Of the Dep. Chief-Prof. Account.	3	0	0	(3)	\$	-

<u>Appropriation/Program</u>	<u>Budgeted Positions FY 2004-05</u>	<u>Filled Positions 3/31/2005</u>	<u>Mayor's Budget Positions FY 2005-06</u>	<u>Over/(Under) Actual to 04/05 Budget</u>	<u>Mayor's Recommended Turnover</u>
370125 Internal Control Division	7	0	0	(7)	\$ -
370130 Internal Affairs	33	0	0	(33)	\$ -
370131 Force Investigation Section	19	0	0	(19)	\$ -
00113 Professional Accountability Bureau	124	0	0	(124)	\$ -
370140 Ofc. of the Dir. of Personnel Bureau	7	2	7	(5)	\$ -
370150 Personnel/Recruiting Section	47	5	44	(42)	\$ -
370210 Medical	20	0	0	(20)	\$ -
00115 Personnel Bureau	74	7	51	(67)	\$ -
370230 Ofc. of the Deputy Chief-East. Opns.	7	3	7	(4)	\$ -
370260 First Precinct	226	37	249	(189)	\$ -
370270 Third Precinct	147	4	0	(143)	\$ -
370280 Fifth Precinct	215	13	198	(202)	\$ -
370290 Seventh Precinct	209	9	188	(200)	\$ -
370300 Eleventh Precinct	226	10	209	(216)	\$ -
370310 Thirteenth Precinct	186	10	183	(176)	\$ -
370320 Ninth Precinct	249	10	225	(239)	\$ -
00116 Eastern Operations	1,465	96	1,259	(1,369)	\$ 12,159,139
370340 Ofc. of the Deputy Chief-West. Opns.	7	1	7	(6)	\$ -
370370 Fourth Precinct	188	12	0	(176)	\$ -
370375 Third Precinct	0	0	180	0	\$ -
370380 Sixth Precinct	215	9	199	(206)	\$ -
370390 Tenth Precinct	192	12	182	(180)	\$ -
370400 Twelfth Precinct	208	12	182	(196)	\$ -
370410 Second Precinct	200	11	179	(189)	\$ -
370420 Eighth Precinct	237	11	215	(226)	\$ -
00117 Western Operations	1,247	68	1,144	(1,179)	\$ 11,223,821
370430 Ofc. of the Dep. Chief-Criminal Invest.	6	1	7	(5)	\$ -
370439 Special Enforcement Division	6	0	5	(6)	\$ -
370440 Narcotics Enforcement Section	64	0	166	(64)	\$ -
370441 Narcotics Unit	103	0	0	(103)	\$ -
370443 Gang Enforcement Section	80	0	85	(80)	\$ -
370444 Vice Section	39	33	39	(6)	\$ -
370450 Major Crimes	5	0	5	(5)	\$ -
370460 Court	70	2	70	(68)	\$ -
370465 Investigative Operations Division	0	290	265	290	\$ -
370470 Commercial Auto Theft	19	10	0	(9)	\$ -
370475 Task Force Administration Section	58	0	39	(58)	\$ -
370480 Special Services Section	77	0	41	(77)	\$ -
370500 Homicide	64	15	73	(49)	\$ -
370510 Metropolitan	0	2	0	2	\$ -
370530 Tactical Services	0	1	0	1	\$ -
370540 Special Response Team	0	1	0	1	\$ -
370555 Mobile Support	0	0	0	0	\$ -
370560 Aviation	0	0	0	0	\$ -
00118 Criminal Investigation Bureau	591	355	795	(236)	\$ -
370590 Ofc. of the Deputy Chief - Mgmt. Svc.	14	2	14	(12)	\$ -
370598 Fiscal Relations Division	3	0	1	(3)	\$ -
370600 Fiscal Operations Section	8	17	9	9	\$ -
370601 Payroll Section	24	0	24	(24)	\$ -
370675 Resource Management Division	11	1	6	(10)	\$ -
370676 Vehicle Management Unit	29	0	24	(29)	\$ -
370677 Facilities Management Section	61	0	8	(61)	\$ -
370678 Assets & Inventory Control Section	26	0	26	(26)	\$ -

<u>Appropriation/Program</u>	<u>Budgeted Positions FY 2004-05</u>	<u>Filled Positions 3/31/2005</u>	<u>Mayor's Budget Positions FY 2005-06</u>	<u>Over/(Under) Actual to 04/05 Budget</u>	<u>Mayor's Recommended Turnover</u>
00119 Management Services Bureau	176	2	112	(174)	\$ -
00537 Rape Counseling Program	20	19	14	(1)	\$ -
00648 Enhanced Drug Enforcement Prog.	17	0	17	(17)	\$ -
00880 Police Athletic League	10	0	9	(10)	\$ -
370701 E-911 Telephone Operators	23	35	23	12	\$ -
370702 3-1-1 Telephone System	20	39	20	19	\$ -
09112 Enhanced E-911	43	74	43	31	\$ -
372000 Office of the Asst. Chief-Operations	7	0	15	(7)	\$ -
372005 Metropolitan Division	5	0	4	(5)	\$ -
372006 Tactical Services Section	113	0	113	(113)	\$ -
372007 Special Response Team	24	0	24	(24)	\$ -
372008 Mobile Support Section	51	1	45	(50)	\$ -
372009 Aviation Unit	17	0	16	(17)	\$ -
372010 Tactical Operations	18	0	19	(18)	\$ -
372015 Executive Protection Unit	27	0	21	(27)	\$ -
372027 Auxiliary Services Unit	24	0	23	(24)	\$ -
10082 Operations Portfolio	286	1	280	(285)	\$ -
10152 Casino Municipal Services-Police	125	0	96	(125)	\$ -
10886 Domestic Violence Unit	32	0	30	(32)	\$ -
372290 Ofc. Of the Asst. Chief-Admin. Port.	4	2	0	(2)	\$ -
372291 Training Bureau	4	0	0	(4)	\$ -
372292 Detroit Metro Police Academy	59	2	0	(57)	\$ -
372293 Executive Development/Success. Pla.	13	0	0	(13)	\$ -
11040 Administrative Portfolio	80	0	0	(76)	\$ -
372300 Ofc. of the Deputy Chief-Science	6	0	7	(6)	\$ -
372305 Technology Support	18	67	14	49	\$ -
372310 Forensics & Records Mgmt. Div.	5	0	4	(5)	\$ -
372311 Records & Identification Section	65	25	55	(40)	\$ -
372315 Forensics Services Section	83	0	81	(83)	\$ -
372320 Emergency Communications Division	5	7	5	2	\$ -
372321 Communications Systems Unit	32	29	7	(3)	\$ -
372322 Communications Operations Section	166	145	164	(21)	\$ -
372323 Notification & Crime Reporting Section	73	2	31	(71)	\$ -
11041 Science & Technology Bureau	453	275	368	(178)	\$ -
372330 Ofc. Of the Dep. Chief-Risk Mgmt. Bur.	5	1	5	0	\$ -
372335 Risk Management Division	4	2	4	(2)	\$ -
372336 Medical Section	0	2	19	2	\$ -
372337 Planning & Accreditation Section	14	0	15	(14)	\$ -
372338 Legal Affairs Section	28	3	22	(25)	\$ -
372339 Disciplinary Administration Section	6	0	12	(6)	\$ -
372340 Civil Rights Division	0	39	36	39	\$ -
372345 Training Division	0	5	5	5	\$ -
372346 Curriculum Research & Development	0	8	7	8	\$ -
372347 Detroit Metro Police Academy	0	62	61	62	\$ -
11042 Risk Management Bureau	57	122	186	65	\$ -
11376 Investigations Portfolio	0	7	7	7	\$ -
11377 Civil Rights Integrity Bureau	36	8	0	(28)	\$ -
11378 Auto Theft 18	12	0	0	(12)	\$ -
11379 Western Wayne 2005	2	0	0	(2)	\$ -
11380 SCREEN DOOR X	10	0	0	(10)	\$ -
11381 Child Abuse Year IV	4	0	0	(4)	\$ -
11384 Victim Assistance 2004-05	2	0	0	(2)	\$ -
11631 Auto Theft 19	0	12	12	12	\$ -

Appropriation/Program	Budgeted Positions FY 2004-05	Filled Positions 3/31/2005	Mayor's Budget Positions FY 2005-06	Over/(Under) Actual to 04/05 Budget	Mayor's Recommended Turnover
11634 SCREEN DOOR XI	0	10	10	10	\$ -
11635 Victim's Assistance 2005-06	0	2	8	2	\$ -
11636 Western Wayne 2006	0	2	2	2	\$ -
37XXXX Leave of Absence	0	(18)	0	(18)	\$ -
37XXXX Worker's Comp.	0	(3)	0	(3)	\$ -
37XXXX Unmatched Positions	0	63	0	63	\$ -
TOTAL	<u>4,945</u>	<u>4,738</u>	<u>4,564</u>	<u>(207)</u>	<u>\$ 23,382,960</u>

The Mayor elects to take \$23.38 million in turnover savings, which is \$3.75 million greater than the level approved by City Council for the current fiscal year. Departmental vacancies allow the Mayor to be more aggressive in taking turnover savings to help balance the 2005-06 budget.

Proposed Layoffs and Vacant Position Reductions

The Mayor recommends the lay off 87 uniform positions. The Mayor achieves the lay offs by canceling the most recent cadet class. The Mayor also looks to lay off 2 Supervising Investigator and 5 Investigator positions that were a part of the Board of Commissioner's budget. Also, the Mayor plans to lay off 94 civilian positions. In addition, the Mayor plans to eliminate 107 vacant civilian positions.

Significant Funding by Appropriation

- The total Police Department appropriations in 2005-06 decrease by a net **\$54.7 million** primarily for the following reasons:
 - a. Net salaries and wages accounts decrease by \$26.43 million due to the elimination of 295 positions, and the fact that the Mayor anticipates civilian employees accepting a 10% wage cut. The Mayor has not budgeted a wage increase or decrease for uniform employees. However, uniform salaries decrease by \$16.9 million because of turnover savings.
 - b. Employee benefits decrease by \$38.53 million primarily because of overall decreases in health care costs based on initiatives by the Mayor, and the elimination of 295 positions.
 - c. Professional and contractual services go up \$535,000 to accommodate increase in medical exam costs for uniform employees based on actual activity. Other contractual accounts show a net increase of \$70,000 because funding for a promotional exam in the amount of \$500,000 is included in Contractual Services. In addition, for 2004-05, the auditor positions in the Civil Rights Division were included in Personal Services Contracts. These positions are classified as civilian positions for 2005-06.
 - d. Operating supplies increase by \$419,000 due to an increase in office supplies accounts, inflation, and actual activity.

- e. Repairs and maintenance go up by \$310,000. Increase is based on actual expenditures for building and equipment maintenance. Additional funding will be needed in order to comply with DOJ requirements as well.
- f. Uniforms, laundry, cleaning goes down by \$250,000 based on actual activity.
- g. Rental accounts show a net increase of \$83,000 because of building leases going up due to inflation, while rental of office equipment expenditures going downward.
- h. Utility accounts reduce \$187,000 because of actual activity, particularly in the Public Lighting utility account.
- i. Purchase services goes up \$132,500 because Public Lighting maintenance costs for department telecommunication system was under budgeted in fiscal year 2004-2005. The requested budget amount for 2005-2006 is based on actual costs.
- j. Travel, training and miscellaneous expenses. Travel goes down \$70,000, training \$459,000 and misc. expenses \$8,000 per the Mayor's effort citywide to reduce expenditures in these accounts.
- k. Major repairs-buildings increase by \$14.1 million since the Mayor proposes a capital budget of \$14.35 million for a prisoner detention center and a forensic laboratory.
- l. Acquisitions-equipment gets reduced by \$2.88 million primarily because a Bureau of Justice Assistance (BJA) grant reduces by \$2.6 million. There was also a \$100,000 reduction for Public Acts 301-302 training.
- m. Grant-contributions-cash gets reduced by \$1.5 million since the overall grant activity is expected to be lower, so cash matches will be lower as well.

The above expose' gives a general overview of the major increases and decreases among appropriations by major object account. The following section highlights only major issues by appropriation (program). It should be noted that the Mayor chooses to reorganize several programs in 2005-06.

<u>Appro.</u>	<u>Program</u>	
00112	Police Executive	Program increases by \$7.62 million because it gains the Homeland Security Office, Crime Analysis Unit, Internal Controls, Internal Affairs and Force Investigation Bureau.
00113	Professional Accountability Bureau	This program is dismantled because its functions are transferred to the Police Executive program. It appears a Deputy Chief position is eliminated too.

00115	Personnel Bureau	Program loses the Medical Unit to the Risk Management Bureau.
00321	Secret Service Fund	Miscellaneous expenditures get reduced by \$187,500.
10082	Operations Portfolio	Mayor's security called the "Executive Protection Unit" continues to include 21 officers. Office of the Asst. Chief gains 8 police officers.
11040	Training Bureau	Program gets dismantled. The Detroit Metro Police Academy and Police Community Services Unit get transferred to the Operations Portfolio program. It is not clear where Police Community Services Unit gets transferred.
11376	Investigations Portfolio	It is not clear where from officers are transferred into this new program.
11377	Civil Rights Integrity Bureau	This bureau in the current fiscal year focused on proper and timely compliance with the DOJ Consent Decree. Next fiscal year the Mayor proposes to include the bureau as a division under the Risk Management Bureau.
00116 00117	Eastern Operations and Western Operations Bureaus	It appears the Third Precinct from Eastern Operations gets transferred to Western Operations; and, the Fourth Precinct in Western Ops. Gets eliminated.
00537	Rape Counseling Unit	This program loses 1 Delivery Driver and 5 Student Social Workers.
00648	Enhanced Drug Enforcement Program	Program goes up \$680,000 because in 2004-05, a portion of the building rent was budgeted in the General Fund – appropriation 00118 – cost center 370439. For 2005-06 all of the costs will be charged to the Forfeiture Fund.
00118	Criminal Investigation Bureau	Narcotics Unit rolls up into Narcotics Enforcement Section. Program gains what appears a new Investigative Operations Division.
00119	Management Services Bureau	Program loses 53 positions out of Facilities Management Section because of consolidation of grounds maintenance and building and skilled trades positions into the new General Services department.

00380	Grant Contributions-Cash	Appropriation reduces by \$1.6 million based on anticipated reduced level of grants for Police Department.
11041	Science & Technology Bureau	Program loses 25 communications positions.

Police (37)

Budgeted Professional and Contractual Services by Activity	FY 2004-05 <u>Budget</u>	FY 2005-06 <u>Recommended</u>	Increase (Decrease)
Management, Personnel & Policy	\$ 3,686,352	\$ 4,136,557	\$ 450,205
Precinct Operations	180,000	500,000	\$ 320,000
Narcotics Bureau	-	-	-
Criminal Investigations Bureau	276,376	41,097	(235,279)
Management Services Bureau	-	-	-
Science & Technology Bureau	<u>238,200</u>	<u>238,200</u>	<u>-</u>
Total	<u>\$ 4,380,928</u>	<u>\$ 4,915,854</u>	<u>\$ 534,926</u>

Significant Revenue Changes by Appropriation and Source

Appro. Program

11040	Training Bureau	Revenue gets transferred to the Risk Management Bureau.
00118	Criminal Investigation Bureau	Personal Services goes down \$623,200 because of anticipated employee benefit savings associated with the officers that provide security services at 36 th District Court.
00119	Management Service Bureau	Revenues increase in appropriation by a net \$2,057,672. Utility Users Tax increases \$1 million based on current utility utilization and higher rates. Other Fees go up \$2.51 million. Not clear as to why at this point. Other Fines reduces \$1.27 million based on actual activity. Confiscated & Unclaimed revenue is aggressively bumped up by \$195,000 based on actual activity.

Police Department 2005-06 Budget

Issues and Questions

Page 37-1: The Mayor eliminates 85 General Fund uniform positions by stopping the most recent cadet class. How many officers are retiring per month and what is the projected level of retirees in 2005-06? How close is the city at the minimum threshold to maintain the full level of revenue from Utility Users Tax? Are there efforts underway to change the state legislation to lower the minimum threshold in order to maintain the same level of revenue from this tax?

What service impact will the elimination of uniform and civilian employee positions have on the department? Will more police officers get assigned to civilian duty since 2006

civilian positions are facing lay offs? If so, isn't it an Act 312 policy that officers working in certain civilian positions could remain there until retirement? Which positions are they?

Page 37-3: Do all police officers now possess the new style badges? If not, how much is in the proposed budget to cover these badges?

Page 37-5B: Please explain where the Police Community Services Unit is being transferred. Does the department anticipate using a new way of community policing? If so, please describe.

Page 37-5C: It is not clear where the officers in the dismantled Investigations Portfolio, as recommended by the Mayor for 2005-06, is headed.

Page 37-5C: Given the importance of the efforts to comply with the DOJ consent decree, it made sense to devote entire program to these efforts via the Civil Rights Integrity Bureau in the current fiscal year. Why does the Mayor propose relocating this function to the Risk Management Bureau?

Page 37-5: This was inadvertently published in the Police budget, but actually is a part of the new General Services Department budget.

Page 37-7: What is the initial thinking about reevaluating precinct boundaries? And although a maintenance program for police precincts is the works, is there any thought of consolidating precincts to take advantage of economies of scale and garner more efficiencies? Has the department undertaking any benchmarking to see how many police precincts the city has on square mile basis as compared to other major cities?

Page 37-9: Please explain why the Third Precinct from Eastern Operations is being transferred to Western Operations. Is the Fourth Precinct being fully consolidated with the Third Precinct in 2005-06?

Page 37-18: Why the major focus on the Investigative Operations Division under the Criminal Investigation Bureau in 2005-06?

Page 37-23: Since Facilities Management Section trades personnel get transferred to the new General Services Department, why is it still important to keep police officers in this section? Couldn't the officers be reassigned to community policing?

Page 37-27: Are Communications Operations Unit personnel getting transferred to the 311 division under the new General Services Department?

Has there been any benchmarking done to determine the number of uniform supervisors to the number of police officers to determine if Detroit's Police Department is top heavy?

Does the department plan on purchasing scout cars in 2005-06? \$135,000 is budgeted for more vehicles, it appears in object code 644600, acquisition vehicles account.

ICJ